

Message Text

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ORIGIN XMB-04

INFO OCT-01 EA-09 ISO-00 AID-05 CIAE-00 COME-00 EB-07
FRB-01 INR-07 NSAE-00 USIA-15 TRSE-00 OPIC-06
SP-02 EPG-02 OMB-01 /060 R

EXIMBANK

DRAFTED BY XMB: K. O'BRIEN
APPROVED BY EB/IFD/ODF:FHTHOMAS
XMB: A. PILZER
EA/ANP:WLGALLAGHER
-----240420Z 016098 /13
R 232203Z MAY 77
FM SECSTATE WASHDC
TO AMEMBASSY WELLINGTON

UNCLAS STATE 118760

E.O. 11652: N/A

TAGS: BPRO

SUBJECT: EXIMBANK INQUIRY

REF: WELLIN 01713 100448Z

1. EXIMBANK'S LETTER TO BNZ DATED NOVEMBER 2, 1976
INFORMED BNZ OF EXIMBANK'S DECISION NOT TO EXTEND THE
AVAILABILITY DATE OF THE BANK'S CFF DUE TO THE BANK'S
LOCATION IN A DEVELOPED COUNTRY AND THE BANK'S MINIMAL
USE OF THE PROGRAM - ONE CFF EXPORT LOAN DURING THE
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PREVIOUS 15 MONTHS. WE ARE NOT FAMILIAR WITH SUBSEQUENT
CORRESPONDENCE DATED 12-14-76 DEALING WITH NEW EXIMBANK
INTEREST RATES EFFECTIVE 1-15-77 AND SIGNED BY MR. PILZER.
EXIMBANK DID SEND CABLES TO ACTIVE CI BANKS CONCERNING NEW
CFF MATURITY TERM GUIDELINES EFFECTIVE JANUARY 15, 1977
AND ITS POSSIBLE THAT BNZ RECEIVED THIS CABLE. BNZ'S
REQUEST TO EXTEND THEIR CFF AVAILABILITY DATE WAS DENIED
ON 11-2-76 AND THE CABLE DEALING WITH CFF MATURITY TERMS
SHOULD NOT HAVE BEEN SENT TO BNZ. IF, IN FACT, THIS CABLE

WAS ERRONEOUSLY SENT TO THE BANK IT BY ITSELF DID NOT
CHANGE THE INTENT AND FORCE OF EXIMBANK'S LETTER 11-2-76.

2. REGARDING BNZ'S FINANCIAL CONTACTS WITH BRANCHES, OR
BANKS LOCATED IN LESSER DEVELOPED COUNTRIES, WE WOULD BE
WILLING TO EXPLORE THIS PROSPECT. IF BNZ WOULD LIKE TO
CONTINUE AS A CI BANK IN THE PROGRAM, IT MUST CONVINCE
EXIMBANK THAT IT WILL USE ITS CFF LINE TO SUPPORT THE SALE
OF U.S. EXPORTS TO BUYERS LOCATED IN LESSER DEVELOPED
COUNTRIES. IT MAY BE POSSIBLE FOR THE BANKS IN TONGA AND
SAMOA TO ESTABLISH THEIR OWN CFF LINES AND BECOME CI BANKS
WITH BNZ AS GUARANTOR. WE ARE WILLING TO DISCUSS THIS
POSSIBILITY.

3. ACCORDING TO OUR RECORDS, BNZ WAS FIRST AUTHORIZED A
CFF LINE IN MAY OF 1972. THE FACILITY BECAME OFFICIALLY
OPERATIVE IN MAY OF 1973 AND EXPIRED OCTOBER 31, 1976.
DURING THIS PERIOD 3 EXPORT LOANS WERE AUTHORIZED, ONE
LOAN APPLICATION WAS SUBMITTED AND WITHDRAWN VOLUNTARILY
BY BNZ, AND ONE LOAN APPLICATION WAS DENIED BY EXIMBANK
BECAUSE THE TRANSACTION'S CONTRACT PRICE EXCEEDED THE
DOLLAR LIMITATIONS OUTLINED IN EXIMBANK'S LETTER OF
JULY 7, 1976. AS STATED IN PART 2 OF THIS CABLE, EXIMBANK
WOULD CONSIDER CONTINUATION OF BNZ'S CFF IF THE BANK
AGREED TO SUPPORT LESSER DEVELOPED COUNTRY TRANSACTIONS
AT THEIR OWN RISK AND WAS ABLE TO CONVINCE EXIMBANK THAT
ACTUAL TRANSACTIONS WOULD BE FORTH COMING DURING THE
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COMING YEAR. VANCE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
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Control Number: n/a
Copy: SINGLE
Sent Date: 23-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE118760
Document Source: CORE
Document Unique ID: 00
Drafter: K. O'BRIEN
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770184-0468
Format: TEL
From: STATE
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1977/newtext/t19770527/aaaaaxaf.tel
Line Count: 96
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Litigation History:
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Message ID: 69a3bf8b-c288-dd11-92da-001cc4696bcc
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Original Classification: UNCLASSIFIED
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Original Previous Classification: n/a
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Review Content Flags:
Review Date: 29-Mar-2005 12:00:00 am
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Review Exemptions: n/a
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Review Release Date: n/a
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SAS ID: 2402227
Secure: OPEN
Status: NATIVE
Subject: EXIMBANK INQUIRY
TAGS: BPRO
To: WELLINGTON
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